Finance Review

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16-17 October 2008

Agenda

- 2008 Performance Update
- Review of Debt Position & Cash Flow
- Capital Investment
- COGS Update

CCA remains on track to deliver high single digit earnings growth & to deliver other 2008 financial improvement targets

	FY08 Targets
1. Group EBIT, NPAT & EPS growth of at least high single digit[1]	✓
2. Margin expansion of at least 0.5-1 pt • Recover COGS increases across the business • Maintain or reduce indirect costs as % of revenue	✓
3. Cash flow funds capex and dividends	✓
4. ROCE improvement of at least 1 pt	✓

1. before significant items and on a continuing operations basis

Adequate facilities in place to cover 2008 & 2009 debt maturities

Debt Profile

Maturity date	2008	2009	2010	2011	2012	2013+
% of total debt	**	**	22.6%	4.4%	3.3%	60.6%

** New facilities already established to cover 2008 and 2009 debt maturities (<10% debt)

- Long debt maturity >6 years (~A$2bn)
- Interest cover strong at >4 times
- In the absence of any material acquisition, we currently expect no incremental debt needed for 2009

Cash flow sufficient to continue to fund capital expenditure and dividends

Cash flow

- Positive cash flow after allowance for capital spend and dividend payments
- Capex spend – 7-7.5% of revenue for 2008 and expect 5-7% range for 2009 and 2010
- Dividend payout target of 70-80%
- Sufficient franking credits to allow dividends to be fully franked for foreseeable future

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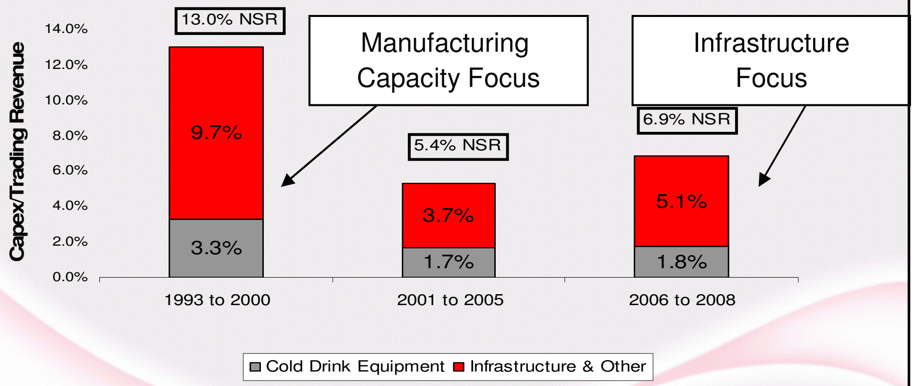
Capital Expenditure Update

Delivering strong returns on infrastructure development while continuing to invest for future growth

CCA managing capex within 5-7% of revenue, from historic highs of >10% (1993-2000)



ROCE	Dec00	Dec05	H108
	7.3%	17.5%	21.4%

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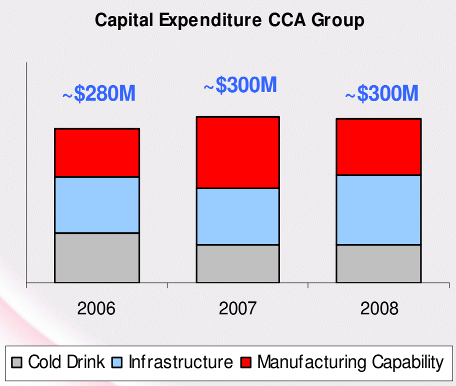
From 2006-08 we have invested $280-300m pa, delivering strong returns and adding capacity for future growth



ROCE	16.3%	19.0%	21.4%(H1)

2006 – 2008F

- **Infrastructure**
  - Warehouse capacity (Sydney, Auckland & Shepparton)
  - SAP
- **Manufacturing capability**
  - 13 new lines
- **Cold drink equipment**
  - Shelf share gains Aust & NZ
  - Indonesia – capturing per capita consumption growth

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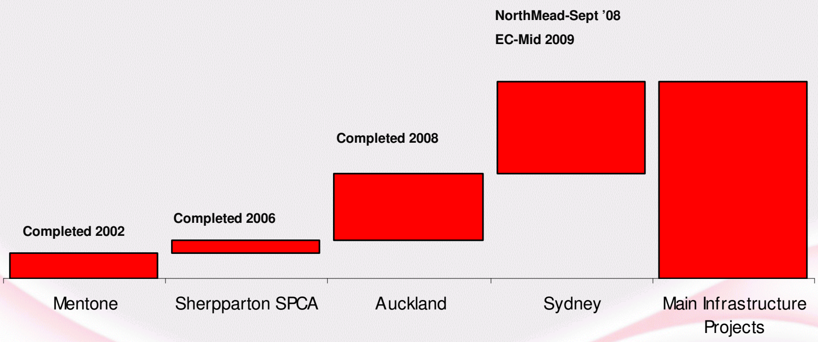
CCA has spent >$250m on automated warehouses since 2002 to provide capability to grow, reduce our cost base & improve customer service delivery

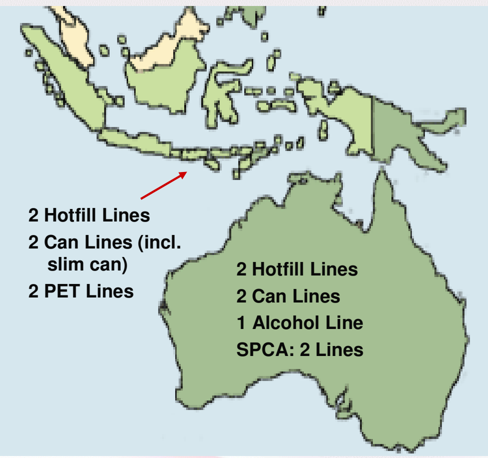
INFRASTRUCUTURE

- +510 SKUs growth from 2003 (320 SKUs) to 2008 (830 SKUs)



Manufacturing Investment in last 3 years has delivered significant capacity and capability

MANUFACTURING CAPABILITY



13 new production lines

Australia & NZ capacity until 2011

Investment supports

- Product premiumisation strategy
- Alcoholic beverages
- NPD
  - Glacéau
  - Mother
  - Powerade
  - Flavoured Milk
- Customer Service improvements
- Indonesia one way packs
- Cost reduction

2006 – 2008 We have spent $150M on coolers, expanding availability and modernising our fleet

COLD DRINK EQUIPMENT

- **Australia & New Zealand** (~75% of group cooler spend)
  - 20-30% of spend is for new placements
  - We have increased our share of shelf space[1]

	2006 - 2008
Australia	from 41.6% to 44.8%
New Zealand	from 61.8% to 63.2%

- **Indonesia:** (20-25% of group cooler spend)
  - 85% of spend is for new placements
  - Low cooler penetration and low per capita consumption

1. Share of shelf space based on immediate consumption channel customers

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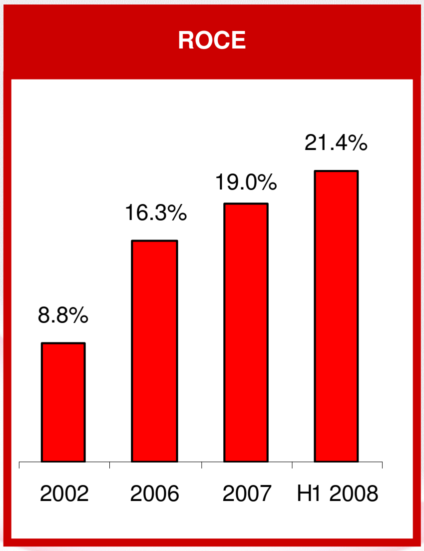
CCA has leveraged both the existing asset base and new capital projects to deliver strong ROCE improvement



- Revenue management, COGS recovery and indirect cost control
- Working capital management
- Leveraging existing assets
- Driving returns from capital expenditure

Note: 2002 pre-AIFRS

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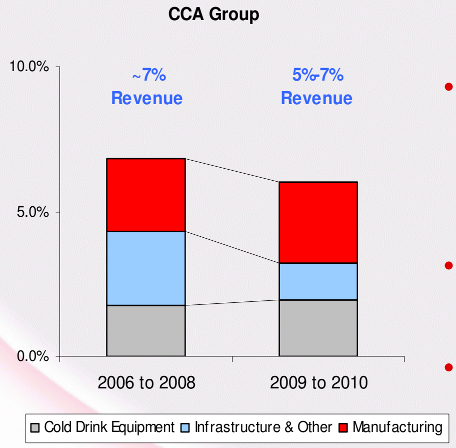
2009-2010: Expecting to invest 5%-7% of revenue with greater flexibility to adjust spend as necessary



- Major infrastructure projects
  - Eastern Creek completed April 2009
  - SAP – rollout 2009
- Project Zero – infrastructure and manufacturing projects
- Phased up-weighting of cold drink spend

NB. CCA's $60m share of $120m brewery development over 3 years not included in capex (part of JV investment)

Key 2009-10 infrastructure project is SAP implementation

Stage 1	**Back Office**	**Complete-Nov '08**
Stage 2	**Supply Chain**	**Mid 2009**
Stage 3	**Sales**	**2010**

Benefits

- Technology platform that can take CCA to a new level of efficiency and service provision
- Material improvement in productivity and insights
- Reduce administration and finance costs
- Facilitates growth
- Leverages TCCC global SAP investment

Project Zero we will selectively invest in infrastructure & manufacturing projects to deliver efficiencies across CCA

- **Cost optimisation - freight, packaging, labour and other indirect cost**
- **Increase automated manufacturing process and optimise plant configurations**
- **Automate warehousing and stock movements (e.g. automated guidance vehicles, RORO, voice picking, etc)**
- **Maximise asset utilisation across the group**
- **Improve customer service**

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Up-weighting of Cold Drink spend ($20-25m pa)

- **Australia & New Zealand**
  - Increase share of shelf space
  - Continue program to modernise fleet
- **Indonesia – significant opportunity**
  - Low cooler penetration
  - Low per capita consumption

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COGS

2008 UPDATE
2009 OUTLOOK

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2008 COGS Outlook

Commodity based costs represent ~30% of COGS

- Sugar, aluminium and PET resin
- No forward market for PET resin
- Conversion costs represent ~50% of costs (non-USD)
- Commodity inputs still trading well above 10 year average prices

Beverages – 2008 full year outlook of increase of just over 3% per case (constant currency)

Targeting full recovery of COGS increases across the business

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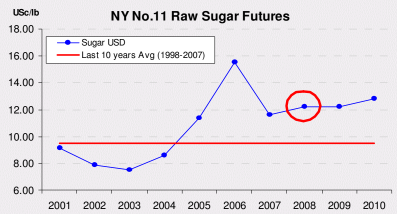
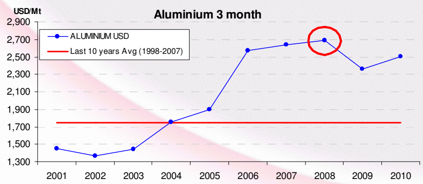
2009 COGS outlook - hedging in place for sugar, aluminium and US dollar limits our exposure to further commodity and FX movements





- **Sugar** – CCA expects increases of ~25% in A$ costs for 2009
- **Aluminium** – despite recent spot market declines CCA expects A$ costs to increase in 2009
- **PET resin** – current market price represents reduction for 2009 but unhedged
- **USD** – exposure is limited given hedging in place for 2009

Note: Commodity rates as at 14 October 2008

2009 – Expect beverages COGS increases of 5-6% per case (constant currency)

- **Hedge book ~80% hedged for 2009**
  - Sugar, Aluminium & US dollar (NZ$ & A$)
- **PET recent price decreases – unhedged**
- **Higher inflation and mix shift driving double digit COGS increases in Indonesia**
- **Targeting full recovery of COGS increases in 2009**
  - Revenue and mix management
  - Lower manufacturing costs leveraging capital investment

NB: Constant currency, includes all USD currency hedging of commodity inputs but excludes impact of translating local currency COGS from offshore businesses into Australian dollars